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**NSC-U/SM-1270**

July 9, 1976

NSC REVIEW  
COMPLETED,  
6/26/2003

TO: The Deputy Secretary of Defense  
The Assistant to the President for  
National Security Affairs  
The Director of Central Intelligence  
The Chairman of the Joint Chiefs of Staff  
The Under Secretary of the Interior  
The Under Secretary of Agriculture  
The Under Secretary of Commerce  
The Under Secretary of Health, Education  
and Welfare  
The Under Secretary of Housing and Urban  
Development  
The Under Secretary of Transportation  
The Administrator, Energy Research and  
Development Administration  
The Administrator, Environmental Protection  
Agency  
The Administrator, National Aeronautics and  
Space Administration  
The Director, National Science Foundation  
The Director, United States Information  
Agency  
The Chairman, Council on Environmental  
Quality

SUBJECT: Implementation of the US-USSR Bilateral  
Specialized Agreements

Attached for your comment and/or concurrence  
are a draft Memorandum for the President and the  
sixteenth report on the ten bilateral specialized  
cooperative agreements with the USSR. Your response  
may be provided to Mr. William Veale, Department of  
State, 632-3456 by c.o.b. Friday, July 16, 1976.

Rutherford M. Poats  
Acting Staff Director

Attachments:

As stated

7/1/76

DRAFT MEMORANDUM TO THE PRESIDENT

Subject: Quarterly Status Report on Implementation of the US-USSR Bilateral Specialized Agreements: January-March 1976

I am transmitting herewith the sixteenth report on the implementation of the eleven bilateral specialized cooperative agreements with the USSR. As is usual in the first quarter, there was a seasonal slackening in activity. The tempo increased, though, towards the end of the quarter.

The major development was our decision in early March to postpone three joint committee meetings involving high-ranking officials as inappropriate in view of / Soviet involvement in Angola. We also informed the Soviets we were not prepared to firm up dates for joint committee meetings tentatively set for this fall. The Soviets evidently understood the reasons for our decision. They indicated a readiness to reschedule meetings in November or later, and significantly have moved ahead on several long-stalled projects. While working-level activity continues according to schedule, activity will slow down under a number of agreements if program decisions are not made soon at the joint committee level.

Another development which suggests that the Soviets, too, have political considerations involved in implementation of the agreements was their insistence on a site other than Puerto Rico for a meeting of marine environment experts. Although no reason was given, we suspect the Soviets did not want to prejudice their UN position with Cuba on Puerto Rico's relationship to the US. We responded by cancelling the meeting.

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Increasingly, we note that a number of US agencies responsible for implementing part or all of an agreement are encountering funding problems since cooperative projects must compete for expertise and resources with other domestic programs. The pace of some cooperative projects is being hampered by limited funds for travel, translation of the growing volume of Soviet data being supplied, and for representation. Several agencies are considering asking for specific line items in their budgets to cover agreement costs, but are concerned that Congressional committees with which they deal, given their domestic orientation, will not be particularly forthcoming or interested in agency cooperative programs with the Soviets. Under several agreements, there appears to be an increasing reluctance on the part of private industry to participate in cooperative activities because they believe there is no payoff technically, commercially, or in terms of foreign policy interests.

Energy

Postponement of the March Energy Joint Committee meeting may have had an unintended beneficial result on the working level. For instance, we received a Soviet proposal for a US visit to the USSR on pollution concerning oil and gas operations, a project which had been dormant for almost two years awaiting a response to our suggestions. We accepted their proposal and suggested late summer dates.

There were two significant developments regarding access.

The Minister of Power and Electrification informed ERDA that two

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key institutes under another ministry, but long sought after by the US, would now be involved in the Superconducting Power Transmission program. In contrast, we suffered another setback in the Geothermal area in May when Moscow reaffirmed its unwillingness to permit a US team to visit sites in Kamchatka.

Agriculture

We sent two veterinarians to the USSR during the quarter, leading to an exchange / of veterinary materials. Three viruses received are now being tested in the US. As with several previous teams, the Soviets attempted to get a signed commitment from our first veterinarian for further US exchange cooperation. We consider these efforts to be out of order and have again pointed out that new activities must be jointly approved at the Joint Committee level.

The Soviets have unexpectedly replaced their leader of the Economic Research and Information Working Group. We know little so far about the new man, A. I. Monov of Gosplan, or about any significance for the Agreement that this change may have.

World Oceans

US Executive Secretary Donald Martineau met March 15-18 in Moscow with Soviet officials to discuss the present status of cooperation, long-standing operational problems, and timing and agenda of the next Joint Committee meeting and post-meeting tours. Some significant progress in removing Soviet bureaucratic obstacles and in clarifying and solving problems resulted. The Joint

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Committee meeting was tentatively set for October and a post-meeting tour of US oceanographic West Coast facilities in 1976 in return for a tour of USSR Far Eastern facilities in connection with the 1977 Joint Committee meeting in the USSR was explored.

Several developments after the close of the quarter were stimulated by the Martineau visit. A US-USSR Geology, Geophysics and Geochemistry Working Group meeting in Hawaii confirmed the initiation this summer of activity in new areas of cooperation--Lithospheric and Sediment Dynamics Studies--areas of scientific interest in terms of improving our understanding of tectonic processes and sea bottom formations. Soviet Co-Chairman Sidorenko attended this meeting and also met in Washington with US Co-Chairman Robert White. At an April meeting of data exchange experts, the Soviets agreed to the direct referral of data resulting from cooperative projects to the national data center in each country. Lastly, the Soviets came to the May meeting of the Biological Productivity Working Group prepared with specific proposals for hosting a number of activities in the USSR, giving us hope for forward motion in an area where cooperation had long been in the doldrums.

Bureaucratic difficulties appear to lie behind continued Soviet stalling on inaugurating teletype communications between (POLYMODE refers to Mid-Ocean Dynamics experiments) the two countries' POLYMODE centers/and in exchanging liaison scientists for coordinating experiment plans. In our view, failure to implement these exchanges threatens the efficient

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carrying forward of the POLYMODE program. Agreement on these matters was reached at the working level in 1974 and were written into the Protocol of the 1975 Joint Committee meeting. Negotiations with Sidorenko on this have been particularly intense since the beginning of the year, but we are not yet sure of a positive solution. The Soviet desire to change the locus North Equatorial Current to the of experimentation from the/Gulf Stream Extension System required some program adjustments but should not cause any major problems.

Housing and Other Construction

The first meeting of the New Towns Working Group exchanged drafts of a joint publication on site selection criteria for new towns. The Soviets finally reciprocated for US documentation given them, but with less detail, and largely accommodated our desire for a study tour of new towns in the USSR. Also, the Working Group on Industrialized Building Systems and Utilities met for the first time and established sub-projects for the next 18 months. HUD funding problems and a surprising lack of interest in the private sector may make it difficult to implement fully these sub-projects, however.

The Soviets expressed an unexpected interest in US industrial building technology using steel and aluminum as the construction materials. We had thought their primary interest was fabrication of precast/prestressed concrete beams, columns, and large concrete panel buildings. The Soviets seem to be very interested in obtaining technology currently marketed by member companies of the Metal Building Manufacturers Association, in order to erect

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quickly industrial buildings, factories, and warehouses for the production of other goods.

Environmental Protection

In the aftermath of our move to postpone joint committee meetings, it was also decided that EPA Administrator Russell E. Train would not attend the May 4-5 mid-year review of the Environmental Agreement in Moscow; his Executive Secretary, William A. Brown, went instead. The meeting went well but the Soviets used the occasion to press for a specific date for the Joint Committee meeting tentatively set for this fall. Having previously gotten the impression from the Soviets that Magnitogorsk was inaccessible we were gratified that our continuing insistence led to Soviet assurances of access for our air pollution experts to the world's largest iron and steel complex there.

Our efforts to promote sales of US environmental equipment through the Agreement paid off with sales of \$1 million worth of equipment for cleaning maritime oil spills and monitoring/analysis of air pollution, with additional sales of \$3.9 million projected over the next twelve months.

We recently learned that Moscow is in the throes of creating some Soviet counterpart organization to our EPA. This development, plus increased attention given to environmental matters at the recent Party Congress, suggest that the Soviets may devote even more resources and effort to the US-USSR Environmental Agreement.

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Space

USSR Academy of Sciences President Aleksandrov informed NASA Administrator Fletcher in February that the Academy concurs in the importance of large (visible) projects, similar to ASTP, for NASA-Soviet Academy cooperation, but that such projects require extended preparation for negotiation. This line defers indefinitely the meeting scheduled for last fall and again for this spring to lay plans for post-ASTP manned space cooperation. We suspect the Soviet position may be related to personnel and other changes in the Academy and/or possibly to changing Soviet priorities.

Informal agreement (to be finalized at September space biology and medicine working group meeting) was reached during the quarter with the Soviets to fly five US biological experiments on the next Soviet biological satellite, presumably in the fall of 1977, as part of a scientific effort to learn more about effects of space flight on living organisms. At the same time, NASA finds disappointing the Soviet response to a suggestion for a meeting of specialists to discuss the results of the Venera-9 and -10 missions and of recent US radar observations. The Soviets agreed only to meet in June at the COSPAR (International Committee on Space Research) meeting, where we would expect them to report on their Venera findings in any case. Although the Soviet data may still prove useful in June, a more timely exchange in this area could have been more helpful in planning for Pioneer-Venus missions scheduled for 1978.

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Transportation

During the visit by First Deputy Minister Shumilin of the Soviet Ministry of Internal Affairs, the Soviets submitted their plan, which meets our criteria for testing a US-developed system which prevents a sub-par driver from starting his vehicle.

The Soviets also submitted a proposal for the joint testing of a Soviet-developed technique for increasing the service life of the bearing used in the axles of railroad cars subjected to high-loading factors. The concrete tie and draft gear (coupler) exchange and the joint testing of US selective calling equipment on a Soviet ship were completed as planned. The Soviets have now agreed to support the U.S. selective calling system in the International Telecommunications Union as the world standard. Testing of the Soviet concrete rail ties has begun in Chicago, but there are no conclusive results yet.

In a development related to the Civil Aviation Air Traffic Control Project, the Swedish firm STANSAAB approached the Department of Commerce for the licensing of US components for the Swedish ATC system purchased by the Soviet Civil Aviation Ministry. FAA, on behalf of DOT and with US

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private sector concurrence, is objecting to licensing action which would assist STANSAAB. Sperry-Univac, the unsuccessful US bidder, is still in contact with the Soviet Ministry of Civil Aviation, where dissatisfaction has been expressed at the technical level concerning STANSAAB's slowness in fulfilling its ATC contract.

Continuing DOT review of cooperative activities under the Transportation Agreement, taking funding problems and limited payoff potential in all eight major areas into account, could result in a decision to propose sizable cutbacks at the next Joint Committee meeting.

Science and Technology

Many delayed activities in the area of Applications of Computers to Management and in Science Policy were put in train as a result of US initiatives leading to an improved Soviet management of the program. However, we also experienced some backsliding when the Soviets postponed three scheduled computer meetings, one just a few days before a Soviet delegation was expected in the US. We have no reason to believe, however, that these postponements were in retaliation for our decision to postpone joint committee meetings.

In the Electrometallurgy area, the long-awaited Soviet high-nitrogen steel ingot arrived and is now being tested by Battelle.

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Shortly after the quarter, the Soviets accepted the substance of virtually all US positions at a meeting of the Joint Working Group on Intellectual Property. Tentative agreement was reached on statements on inventions and on information and confidentiality.

Medical Science, Public Health, and Artificial Heart

The exchange of the first US artificial heart and its control unit took place this quarter, moving work in this area into joint activity. This heart, and a Soviet unit, were implanted in two calves by a joint team of surgeons in Moscow. During the visit of US surgeons, the Soviets revealed artificial heart technology which our team felt was at least as advanced as that found here.

In the priority area on Influenza and Acute Respiratory Diseases, the Soviets expressed interest in US reports on swine influenza virus-like isolates. After this finding, the USSR Ministry of Health proposed, and we agreed, to have two USSR scientists visit in early April to review our most current experience with this virus.

During informal discussions, we proposed the addition of a joint project, within the cooperation on Environmental Health, to assess the biological and environmental effects-

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of electromagnetic fields from high voltage power transmission lines, a topic of long-standing interest to us.

Atomic Energy

In the area of Controlled Thermonuclear Research, US (CTR), experts for the first time observed the start-up of the Tokamak 10 fusion reactor at the Kurchatov Atomic Institute. Two Soviet CTR experts participated in the start-up of the Prince-in Moscow./ Such procedures permit immediate exchange of (ton Large (Torus data, which can maximize the benefits to both sides. ((PLT)).

Plans were also set during the quarter for ERDA Assistant for familiarization with the Soviet Atomic Energy program. Administrator Richard Roberts to visit the USSR May 24-June 5, On short notice we asked the Soviets to include a visit to a Soviet atomic icebreaker. The Soviets replied that all atomic icebreakers would be at sea. Under the circumstances, we do not view the Soviet response as a firm indication that such visits are unlikely to be approved in the future and we intend to ask again.

Upcoming Events

A number of working group meetings are scheduled for the next months. Under the Oceans Agreement, there is considerable US interest in the prospect of post-Joint-Committee-meeting-- whenever scheduled--travel in the Soviet Far East. The two Agriculture Agreement working groups will be holding consultative meetings in mid-June, and there will be a working group meeting on Controlled Thermonuclear Research that month, too.

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Under the Space Agreement, the COSPAR meeting will provide an opportunity for consultations with the Soviets on their Venera 9 and 10, and a Space Biology meeting is planned for Yerevan, Armenia in September. Lastly, under the Housing Agreement, HUD will be making a major effort to increase private sector involvement in the months ahead.

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